GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:498
ANSWERED ON:20.11.2007
FREE TRADE AGREEMENT WITH EUROPEAN UNION
Tripathy Shri Braja Kishore

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has held talks with European Union(EU) on Free Trade Agreement(FTA);

(b) if so, the details thereof;

(c) the details of trade between India and EU countries during 2006-2007 as compared to 2005-2006; and

(d) the extent to which trade is likely to be increased after the implementation of FTA with EU countries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a)& (b) Yes Sir. Negotiations for India-European Union (EU) broad based Trade and Investment Agreement commenced on 28.6.2007 at Brussels. The first round of negotiations were focused on discussing the framework for undertaking negotiations and exchange of ideas on the broad contours of the agreement in areas of Trade in Goods, Trade in Services, Investments, Sanitary and Phytosanitary measures, Technical Barriers to Trade, Trade Remedies, Customs Cooperation and Trade Facilitation. Based on these initial discussions, both sides discussed textual proposals in the 2nd round of negotiations that were held during 1-5 October 2007 in New Delhi.

(c) Details of trade with EU countries

Year	Export	Import	Total trade
	US$ Million		
2005-06	23,229	25,998	49,227
2006-07	26,863	34,781	61,644

(d) The extent of increase in India-EU trade would depend on the outcome of the negotiations determining the products that would be covered under the tariff liberalization programme and the extent of the liberalization in the services sector.